

**Amendments to the Claims**

This listing of claims will replace all prior versions and listings of claims in the application:

**Listing of Claims:**

1. (withdrawn) A method for providing an annuity to at least one investor comprising the steps of:

offering said annuity to said at least one investor, wherein a financial service provider charges a periodic fee over a predetermined period to said investor for said annuity;

determining a value for said annuity at the end of said period;

declaring a periodic dividend for said annuity;

subtracting said periodic fee from said periodic dividend; and

calculating a new value for said annuity.

2. (withdrawn) The method of claim 1, wherein said periodic dividend is at least as large as a maximum periodic fee charged by said financial service provider.

3. (withdrawn) The method of claim 2, further comprising the step of reinvesting any remaining periodic dividend back into said annuity.

4. (withdrawn) The method of claim 1, wherein said annuity is comprised of individual units, each unit having an equal value and said dividend is declared on a per unit basis.

5. (withdrawn) The method of claim 1, wherein said annuity is a variable annuity.

6. (currently amended) A computerized method for managing or providing an annuity provided to a plurality of investors comprising the steps of:

determining a record date value of the annuity at an end of a predetermined period;

declaring a dividend of a predetermined amount based upon the record date value;

determining a pre-dividend value of the annuity on a dividend pay date;

calculating a pay date value of the annuity by subtracting said dividend from said pre-dividend value;

subtracting a fee from said dividend on the pay date;

reinvesting any remaining dividend into said annuity at said pay date value; and

calculating a post dividend value of said annuity.

7. (currently amended) The computerized method of claim 6, wherein said annuity is comprised of individual units each having an equal value and said record date value is the value of each individual unit of said annuity.

8. (currently amended) The computerized method of claim 6, wherein said annuity includes at least one optional benefit and said fee is charged to each investor based upon the optional benefits selected by the individual investor.

9. (currently amended) The computerized method of claim 8, wherein said dividend is larger than said fee.

10. (currently amended) The computerized method of claim 6, wherein said record date and said pay date are two consecutive days toward the end of the month.

11. (withdrawn) A method for enabling a financial service provider to provide optional benefits to investors of an annuity, said method comprising the steps of:

offering one or more units of an annuity with at least one optional benefit;  
determining a cost for each optional benefit per unit of the annuity;  
enabling investors of said annuity to select or choose not to select at least one optional benefit;  
determining a first value of said unit;  
choosing a dividend amount per unit of the annuity that is at least as large as a maximum potential cost for said optional benefits;  
declaring said dividend amount per unit;  
calculating a pay date unit value for said unit by subtracting said dividend amount from said first value; and  
subtracting the cost of any selected optional benefits from said dividend amount.

12. (deleted)

13. (withdrawn) The method of claim 11, wherein said method further comprises the step of reinvesting any remaining dividend back into said account at said pay date unit value.

14. (withdrawn) A method of managing a variable annuity, wherein the variable annuity comprises a plurality of units each having an identical price and each unit being owned by at least one investor, said method comprising the steps of:

offering a variable annuity with a plurality of optional benefits to the investor;

determining a pre-dividend price per annuity unit;

determining an option fee per annuity unit for each optional benefit and combination of optional benefits;

enabling the investor to select whether to include any of said plurality of optional benefits;

choosing a dividend amount per annuity unit that is at least as large as the maximum potential amount of said option fee for said optional benefits;

declaring said dividend amount;

calculating a post-dividend price per annuity unit;

subtracting said option fee for any selected optional benefits from said dividend amount; and

reinvesting any remaining dividend back into said variable annuity at said post-dividend price.

15. (withdrawn) The method of claim 14, wherein said optional benefits are selected from the group consisting of various death benefits, waiver of expense charges, guaranteed income, and/or waiver of contingent deferred sale charge.

16. (withdrawn) A method of accounting for the payment of fees associated with an annuity product, wherein the annuity product includes one or more optional benefits that may be selected by an investor, and the fees vary depending upon the optional benefits, if any, selected, said method comprising:

assessing a pre-dividend unit price for the annuity, wherein each unit is of equal value;

declaring a dividend amount for each unit of the annuity;  
subtracting at least a portion of the fee associated with the annuity from the dividend amount to result in a dividend remainder;

calculating a new unit price for the annuity by subtracting the dividend amount from the pre-dividend unit price; and

reinvesting the dividend remainder by purchasing additional units of the annuity at the new unit price.

17. (withdrawn) A method in accordance with Claim 16, wherein said annuity product is a variable annuity.

18. (withdrawn) A method in accordance with Claim 16, wherein said subtracting step comprises subtracting an option fee associated with the optional benefits selected by the investor.

19. (withdrawn) A method in accordance with Claim 18, wherein a specific benefit fee is assigned to each optional benefit selected by an investor, and the option fee is the total amount of the benefit fees associated with the optional benefits selected by the investor.

20. (withdrawn) An annuity product provided for a plurality of investors comprising, one or more annuity units wherein at least a portion of a fee charged in association with the annuity product is deducted from a dividend periodically declared for each annuity unit.

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21. (withdrawn) An annuity product in accordance with claim 20, said product additionally comprising one or more optional benefits that can be selected by an investor, wherein an option fee charged for the annuity unit varies depending upon the optional benefits selected by the investor, and wherein the option fee is deducted from a dividend declared for each annuity unit.

22. (new) An automated system for managing an annuity provided to a plurality of investors comprising the steps of:

a means for determining a record date value of the annuity at an end of a predetermined period;

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a means for declaring a dividend of a predetermined amount based upon the record date value;

a means for determining a pre-dividend value of the annuity on a dividend pay date;

a means for calculating a pay date value of the annuity by subtracting said dividend from said pre-dividend value;

a means for subtracting a fee from said dividend on the pay date;

a means for reinvesting any remaining dividend into said annuity at said pay date value; and

a means for calculating a post dividend value of said annuity.

23. (new) A system for managing an annuity provided to a plurality of investors, the system comprising a computer programmed to perform the steps of:

determining a record date value of said annuity at an end of a predetermined period;

calculating a dividend for said predetermined period based upon the record date value;

calculating a fee for each of said plurality of investors;

declaring said dividend for each of said plurality of investors and a dividend pay date; and

subtracting said fee from said declared dividend on said dividend pay date.

24. (new) The system of claim 23, wherein the computer is further programmed to perform the steps of:

determining a pre-dividend value of the annuity on said dividend pay date;

calculating a pay date value of the annuity by subtracting said dividend from said pre-dividend value;

calculating a reinvestment amount for each of said plurality of investors by dividing any remaining dividend by said pay date value; and

calculating a post-dividend value of said annuity by adding said reinvestment amount to said pay date value.